(b) if not, the facts in this regard;

(c) whether it is also a fact that the present shortage of power can be removed through it;

(d) if so, Government's reaction thereto and whether this measure is also inexpensive in comparison to establishing new generating projects; and

(e) if so, the facts in this regard?

THE MINISTER OF POWER (SHRI RM. SAYEED) (a) and (b) Sufficient additional power can be generated by making improvements on large scale through Renovation and Modernization of existing power generating projects and by adopting modern Operation & Maintenance (O&M) practices.

(c) The present shortage of power can be mitigated to some extent by adopting modern O&M practices and through Renovation and Modernization & Uprating of existing old thermal and hydro power generating projects.

(d) and (e) Government of India accords priority to get additional power to fill the gap between demand and supply of power by adopting modern O&M practices and Renovation and Modernization & Uprating and Life Extension (LE) of existing old thermal and hydro power generating projects. Accordingly, it has been recognized as one of the most cost effective option by virtue of its short gestation period and low cost as compared to installation of a new project.

Dividend for the institution engaged in Power Sector

† 3082. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of POWER be pleased to state:

(a) whether any decision has been taken by Government regarding earning dividend for the institution engaged in the work of electricity generation, transmission and distribution to consumers;

† Original notice of the question was received in Hindi.

(b) if so, the percentage of benefit allowed to be earned by each category of said institution on the basis of invested capital; and

(c) the basis of choosing this percentage?

THE MINISTER OF POWER (SHRI P.M. SAYEED) (a) The Ministry of Finance, Government of India has issued guidelines to all profit making Central Public Sector Undertakings (CPSUs) in infrastructure, sector, including those CPSUs engaged in the work of electricity generation, transmission and distribution, to declare minimum dividend of 30% of post tax profits to the Government.

(b) and (c) Under the provisions of the Electricity Act, 2003, appropriate Electricity Regulatory Commission is required to specify, through regulations, the terms and conditions for determination of tariff. A return on equity of 14% on investment made by such institutions engaged in the work of electricity generation and transmission is allowed under the present regulations of Central Electricity Regulatory Commission.

Reduction in power generation for want of distribution system

† 3083. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that generation of power has to be reduced in several power generating zones in want of power transmission system in the country;

(b) if so, the power generation capacity in North, East, West, South and North-Eastern zones separately by March, 2005;

(c) the power transmission capacity of the above said regions estimated; and

(d) the name of institution which has been assigned the responsibility of development and expansion of the power transmission system?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) No, Sir. The transmission system in the country is developed in a planned manner

† Original notice of the question was received in Hindi.